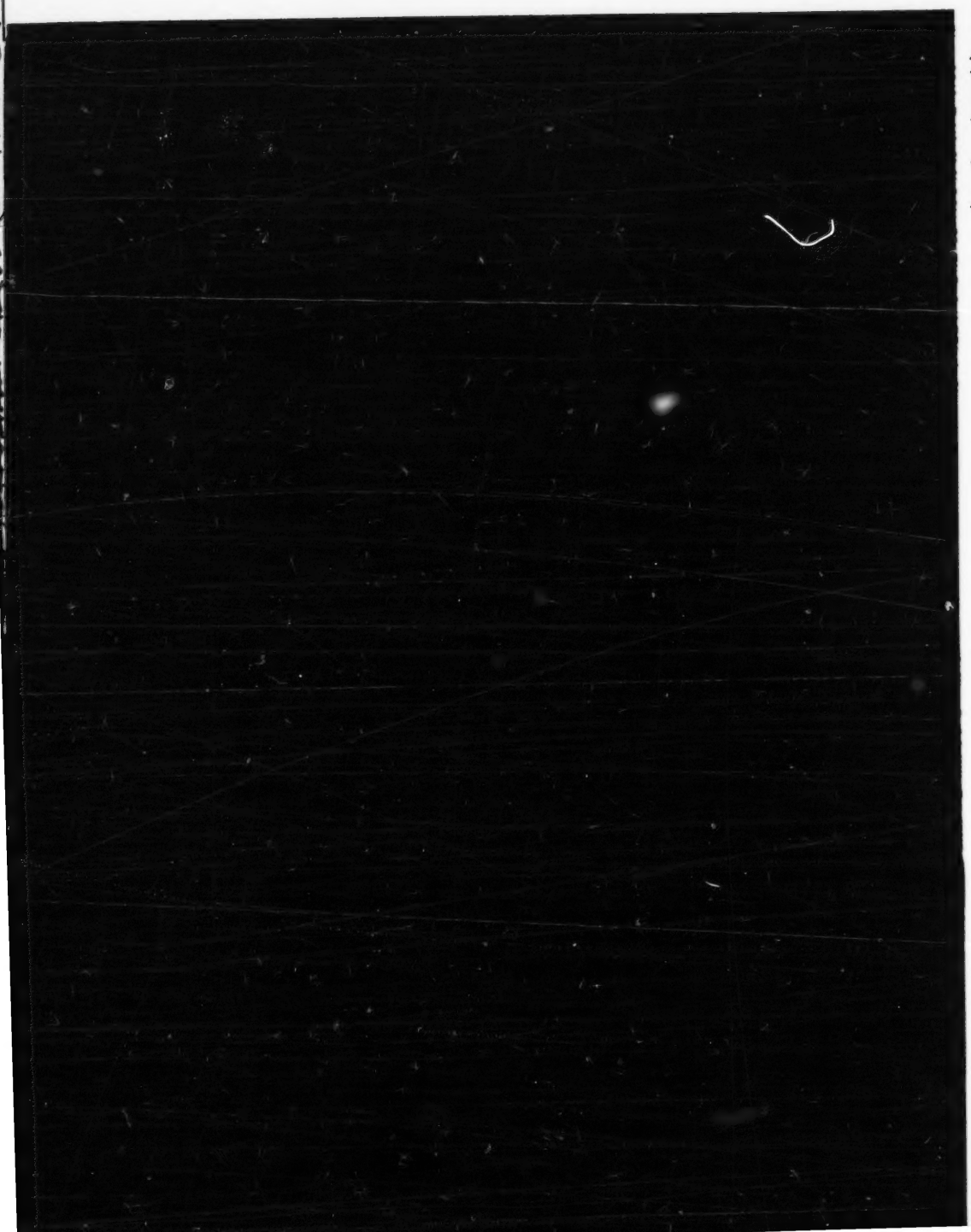
OWMC

Ontario
Waste Management
Corporation
a provincial Crown agency



Annual Report 1986/87

July, 1987

The Honourable Jim Bradley
Minister of the Environment

Dear Mr. Bradley:

I have the honour of
submitting the sixth Annual
Report of the Ontario Waste
Management Corporation
for the fiscal year ended
March 31, 1987.

Respectfully submitted,

D.A. Chant
Chairman and President

Corporate profile

The Ontario Waste Management Corporation (OWMC) was formally created by Chapter 21 of the 1981 Statutes of Ontario which received Royal Assent on July 3rd of the same year. OWMC's primary responsibilities are to design, construct and operate a province-wide system for the treatment and disposal of liquid industrial and hazardous waste, and to develop a long-term program to assist in the reduction and recycling of such wastes.

Objects of the Corporation
From Section 3 of the Ontario Waste Management Corporation Act, 1981:

"A. to research, develop, establish, operate and maintain facilities for the transmission, reception, collection, examination, storage, treatment and disposal of wastes including sewage; and

B. to perform such other duties as may be assigned to it under this or any other Act."

Remuneration of Directors

The Directors of the Corporation, except the Chairman who is a contract salaried employee, are paid $200 per day for attending board and committee meetings.

The total remuneration for all Directors for the year ended March 31, 1987 was $14,100 compared to $15,300 for the previous year.

OWMC Board of Directors

Dr. Donald A. Chant
Chairman and President.

Zoologist, former Vice-President and Provost of the University of Toronto, and former Chairman of the Canadian Environmental Advisory Council.

V. Harvey Polk
Vice-Chairman

Former Chief Engineer, Specialized Engineering, Stelco Inc., Hamilton.

G. Firman Bentley
Group Vice-President, Basic Petrochemicals Division, Polysar Limited, Sarnia.

Mayor Edith L. Fuller
Mayor, Town of Haldimand, Regional Municipality of Haldimand-Norfolk.

James M. King
Former Chairman of the Board, Alfa-Laval Limited, Peterborough.

R. Stephen Rodd
Professor, School of Agricultural Economics and Extension of Education, University School of Rural Planning and Development, University of Guelph.

Frank Sommer
Farmer and former President and Director of the Ontario Federation of Agriculture for Haldimand West.

Highlights of the year

The first part of OWMC's draft environmental assessment (EA) on the proposed facility was submitted for government review. The Ministry of the Environment informed OWMC that the entire EA must be completed and reviewed before a public hearing under the Consolidated Hearings Act can begin.

Studies of environmental and socio-economic conditions on and near the site of the proposed facility were completed. Data from the studies and from field monitoring were used to predict the possible effects of the facility and to prepare a site-specific risk assessment.

Consultants completed work on the selection of technologies, system design and optimization for the facility's main process areas. Reports on each area were included in the draft EA submission.

OWMC stepped up its efforts to provide industry with technical information and advice on waste reduction. This was done through plant visits, a newsletter sent to 8,000 Ontario companies and abstracts of the latest published material on the subject.

More than 1,200 people called or visited the regional information office in Smithville. Public meetings, open houses and drop-ins were held throughout the Niagara Region. *Update*, a newsletter about the project, was sent to about 77,000 households, libraries, schools and businesses in the region.

OWMC continued to provide funding to groups and individuals and to the Township of West Lincoln, enabling them to review technical reports on the project.

Waste samples from 200 manufacturing companies were analyzed as part of an ongoing market assessment to obtain more precise information on waste types and sources.

Chairman's message

OWMC's work during 1986-87 concentrated on two major areas: conducting detailed investigations of the West Lincoln site to confirm its safety and suitability for our proposed industrial waste treatment facility, and preparing a draft environmental assessment for government review and eventual public hearings as required by the Environmental Assessment Act of Ontario.

The site assessment work was completed in early 1987, and has enabled us to predict and analyse the effects our facility may have on the environment and local communities. This analysis is an essential part of our environmental assessment, and I am particularly pleased with the results we have obtained.

More than ever, I am convinced that our facility and siting decisions are based on sound environmental principles, and that the facility will operate safely and efficiently on the West Lincoln site.

During the year, we decided to submit two separate environmental assessments in an effort to expedite the process leading to the public hearings. In December, 1986, we submitted a draft of our first environmental assessment to the Ministry of the Environment. After a preliminary review of the submission, the ministry concluded that we would be in a better position to defend our proposal at the public hearings by submitting one environmental assessment document when all of our work is complete.

In the coming year, we will be devoting our efforts to completing this task. We welcome the challenge that lies ahead of us. Ontario urgently needs a modern industrial waste treatment facility, but it must be thoroughly researched and developed in full consultation with those who will be affected by it.

There were many opportunities during the year for people who live in the region to learn more about our proposal and to raise their concerns with our staff and consultants. I myself had the pleasure of meeting many residents of West Lincoln in frank and open discussions about the issues that affect them. These consultations will continue next year as we meet with people near the site to talk in more detail about the facility and how we will operate it.

Another activity which deserves mention here – and one which attracted a great deal of public attention during the year – is waste reduction.

OWMC is beginning to see some positive results from its various efforts to help industry reduce its wastes, and we will be stepping up our waste reduction program next year.

Important as it is, however, waste reduction is only part of the solution to this province's hazardous wastes problem. We are convinced that the cornerstone of an industrial waste management system in Ontario must be a facility for the safe treatment and disposal of wastes that cannot be eliminated at the source. Our objective is to make that goal a reality.

D.A. Chant
Chairman and President

Facilities development process

Atmospheric testing at the West Lincoln site.

OWMC was created in 1981 by the Ontario Government to establish a province-wide system for managing industrial wastes. After studying the situation in Ontario, the corporation decided that an essential component of such a system must be a central waste treatment and disposal facility.

A three-year search led to the selection in 1985 of a proposed facility site in the Township of West Lincoln, in the Region of Niagara.

Site Assessment

Detailed investigations to confirm the safety and suitability of the site were carried out from late 1985 to early 1987 to provide a full year of data on the environment.

During the year, environmental studies were completed on atmospheric, subsurface, surface water and biological conditions. Studies were also carried out on transportation, agriculture and socio-economic conditions in the area.

Data gathered from these studies and from field monitoring were used to predict the effects the proposed facility may have on the environment and nearby communities, and to assist in preparing a site-specific risk assessment.

Environmental assessment

OWMC is required by the Environmental Assessment Act of Ontario to prepare an environmental assessment (EA) on its project. The EA must not only explain the need for the facility, but also evaluate the alternatives, assess its possible effects on the environment and the community and recommend ways to either prevent or reduce undesirable effects. After it has been reviewed by the government, and revised as necessary, the EA will go to a public hearing under the Consolidated Hearings Act.

In early 1987, OWMC submitted part of its draft EA to the provincial government for review. This draft submission dealt with the purpose of the undertaking, a description of the proposed facility, alternatives, technologies, site selection and advantages and disadvantages. Copies of EA material, consisting of 22 volumes and an overview, were also sent to public and university libraries in south-central Ontario.

Soon after, OWMC and the Ministry of the Environment began discussions on changes and additions to the first submission. Work also continued on the rest of the EA — assessing the possible effects of a facility and developing mitigation measures, monitoring programs and emergency plans.

Preferred site — LF-9C

Facility design, project engineering and operations

OWMC issued five reports in 1986 on the selection of technologies, system design and optimization for the facility. The reports deal with general facilities and with the main process areas of incineration, physical/chemical treatment, solidification and the engineered landfill.

Dick Griffiths, Director of Projects/Operations, explains the incineration process at an open house in Vineland.

A report describing the conceptual design and operation of the facility also was published. It discusses environmental considerations and outlines a plan for engineering, procurement and construction.

During the year, OWMC began testing the processes which have been recommended for treating wastes at the proposed facility. Typical industrial wastes were subjected to physical/chemical treatment and solidification processes in a laboratory and the solidified waste residues were tested for leaching.

Staff and consultants also assessed the possible risks to health and the environment from facility operations, as well as the probability of abnormal events. Operational and emergency planning continued.

Market assessment

Marketing activities during the year were concerned primarily with gaining more precise information about the amounts, types and sources of special waste produced in Ontario. This information is essential in estimating how much waste will be received at OWMC's proposed facility and in determining analytical and treatment methods.

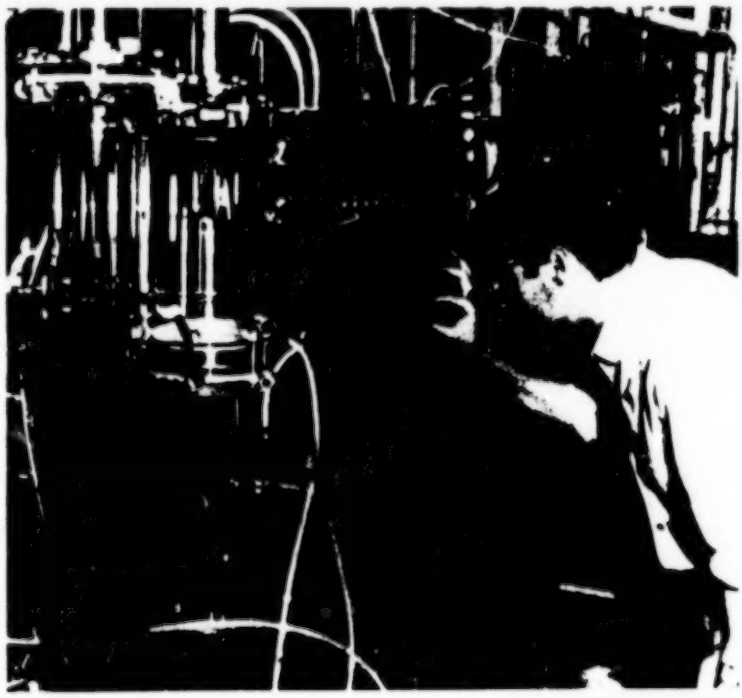
Extrapolating from data obtained in a 1984 survey of 1000 Ontario firms, OWMC has estimated the amount of special waste produced in the province at approximately 1.2 million tonnes.

Another market survey carried out in 1986 collected data and more than 250 waste samples from an additional 200 manufacturing companies. A detailed analysis of these samples will greatly increase our knowledge of industrial wastes and assist in developing analytical methods.

Until recently, efforts at defining the size of the special wastes market were concentrated on industrial sources. A study began during the year to determine the amount and types of special wastes produced by non-industrial sources such as commercial and institutional operations and households.

Preliminary work indicates that non-industrial sources contribute significantly — more than 380,000 tonnes annually — to the special wastes problem in Ontario.

Also during the year, work began on a report which will explain the operation of the waste management market in Ontario. This document will present a rationale, using market analysis methodology, for OWMC's decision to build a facility with an initial annual capacity of 150,000 tonnes of wastes and an ultimate capacity of 300,000 tonnes per annum, if required.



Testing physical/chemical treatment processes at OWMC's interim laboratory in Burlington.

Waste reduction

Technical representative John Richmond (left) examines de-watered sludge from plating operations at deHavilland Aircraft of Canada Ltd.

OWMC increased its efforts during the year to promote industrial waste reduction. Information and advice about how industry can cut down on its wastes was provided over the phone and in visits to plants throughout the province.

A new publication on waste reduction activities called the *Bulletin* was sent to about 8,000 companies in Ontario.

Listings were compiled from computer databases of material on waste reduction published between 1974 and 1984. Abstracts of published material in one or two subject areas are provided to companies free of charge if they request them.

Staff also took part in seminars on waste reduction held by the Region of Peel, the Guelph Chamber of Commerce and the Ontario Environmental Network and by industrial groups such as electroplaters and dry cleaners.

OWMC sponsored several projects during the year which were aimed at increasing waste reduction in industry. For example, funding was given to the Ontario Research Foundation to find solutions to waste reduction problems that will benefit one or more industries.

Funding was also provided to the Ontario Waste Exchange (OWE). Established by the Ontario Research Foundation and OWMC in 1984, the exchange brings together generators and users of industrial wastes. Activities will greatly increase in 1987-88 with an agreement by the Ministry of the Environment to provide funding in an amount equal to OWMC's contribution.

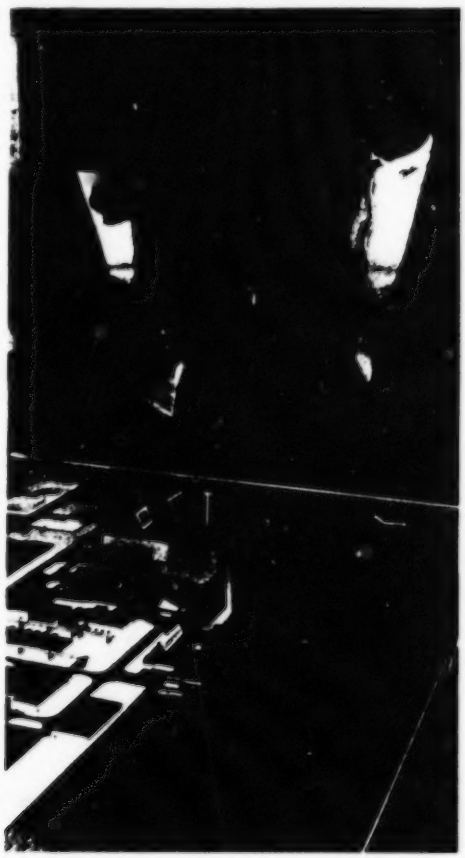
Communications and public consultation

Many opportunities were provided during the year for people in the Niagara Region to discuss their concerns about the proposed facility with OWMC staff and consultants. More than 1,200 people called or visited the regional information office in Smithville. Meetings, open houses and drop-ins were held in the region, as well as small, informal gatherings with OWMC's chairman in the homes of West Lincoln residents.

Public meetings were also held in three cities outside the region to discuss the problem of hazardous wastes in Ontario and the corporation's role.

The first two issues of *Update*, a newsletter about the proposed facility, were sent to households, libraries and municipal offices in the Niagara Region. Other publications distributed during the year were *Exchange* — a newsletter about OWMC activities — pamphlets on physical/chemical treatment, rotary kiln incineration and emergency planning and the Waste Reduction Program *Bulletin*.

Since the spring of 1985 the corporation has provided funding to groups and individuals to enable them to review and comment on its technical reports. In 1986-87, funding was given to a coalition of citizens' groups and an individual for this purpose. Funding was also provided to pay costs incurred by the Township of West Lincoln in reviewing OWMC's work.



Communications officer Mary Lou Garr and Pelham resident Marg Tocque examine model of the proposed facility at the regional information office in Smithville.

Financial statements

Ontario Waste Management Corporation

Statement of Financial Position

as at March 31, 1987

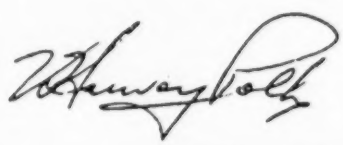
Assets	1987	1986
	($'000)	($'000)
Current		
Cash	1,644	168
Due from Province of Ontario	—	360
Sundry receivables	53	51
Prepaid expenses	29	19
	1,726	598
Fixed (note 2)	280	344
	2,006	942

Liabilities and Retained Earnings		
Current		
Accounts payable and accrued liabilities	1,634	2,451
Retained Earnings (Deficit)	372	(1,509)
	2,006	942

See accompanying notes to financial statements.

On behalf of the Board:

Chairman



Vice-Chairman

Statement of Operations and Retained Earnings

for the year ended March 31, 1987

	1987	1986
	($'000)	($'000)
Revenue		
Grants from Province of Ontario	14,200	12,400
Interest and other	29	55
	14,229	12,455
Expenditure		
Salaries and benefits	2,985	2,711
Site assessment	4,151	4,735
Facilities design	1,956	3,300
Occupancy	621	607
Office and general	533	542
Waste reduction and market assessment	671	497
Hearings preparation	357	512
Publications	205	292
Management consultants	194	170
Technical report reviews	501	199
Technical communication services	47	141
Depreciation	105	105
Directors' fees and expenses	22	22
	12,348	13,833
Excess (deficiency) of revenue over expenditure	1,881	(1,378)
Deficit, beginning of year	(1,509)	(131)
Retained Earnings (Deficit), end of year	372	(1,509)

See accompanying notes to financial statements.

Statement of Changes in Financial Position

for the year ended March 31, 1987

	1987	1986
	($'000)	($'000)
Cash provided by (used in) operating activities		
Excess (deficiency) of revenue over expenditure	1,881	(1,378)
Charge to operations not requiring a current cash payment – depreciation	105	105
	1,986	(1,273)
Net change in non-cash working capital balances	(469)	1,285
Cash provided by operations	1,517	12
Cash provided by (used in) investing activities		
Additions to fixed assets	(41)	(93)
Net increase (decrease) in cash during the year	1,476	(81)
Cash, beginning of year	168	249
Cash, end of year	1,644	168

See accompanying notes to financial statements.

Auditor's report

To the Ontario Waste Management Corporation and to the Minister of the Environment

I have examined the statement of financial position of the Ontario Waste Management Corporation as at March 31, 1987 and the statements of operations and retained earnings and changes in financial position for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Corporation as at March 31, 1987 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

D.F. Archer, F.C.A.,
Provincial Auditor.

Toronto, Ontario,
May 29, 1987.

Notes to Financial Statements

March 31, 1987

1. Significant Accounting Policies

i. **Basis of accounting**
These financial statements have been prepared in accordance with generally accepted accounting principles.

ii. **Grants from Province of Ontario**
Grants are recognized as revenue in the period in which they are committed by the Province.

iii. **Fixed assets**
Depreciation for furniture and equipment is computed on the declining balance basis at rates designed to amortize the cost of these assets over their estimated useful lives. Leasehold improvements are amortized on a straight-line basis.

2. Fixed Assets

	1987			*1986*	
	Cost	*Accumulated Depreciation*	*Net Book Value*	*Net Book Value*	*Depreciation Rate*
	($'000)	*($'000)*	*($'000)*	*($'000)*	
Furniture	230	125	105	118	20%
Equipment	283	146	137	156	20-30%
Leasehold improvements	161	123	38	70	5 years
	674	**394**	**280**	**344**	

3. Lease Commitments

The Corporation is committed under operating leases on leased premises with future minimum rental payments due as follows:

	($'000)
1988	467
1989	389
1990	337
1991	264
1992	264
Thereafter	154
	$1,875